GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1374
ANSWERED ON:11.03.2005
MEDICAL INSURANCE
Adhalrao Patil Shri Shivaji;Sethi Shri Arjun Charan

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that insur ance companies are refusing to extent the medical poiicies in cases where the insured has made a heavy claim;

(b) whether the Government is aware that medical insurance companies in the country are resorting to irregularities in medical claims by insured and as a result the people are being cheated;

(c) if so, details thereof; and

(d) the actiion taken/likely to be taken against these insurance companies?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) :

(a) By and large mediclaim policies are renewed whether or not claims are made under the policies. However, there are isolated instances of such refusal of renewal of mediclaim policies under which heavy claims are preferred.

(b) and (c) Insurance Regulatory & Development Authority (IRDA) has informed that there is no matter that could be Termed as `irregular` or involving `cheating of the people` that has been brought to their notice. However, wherever complaints are brought to the notice of IRDA, the Authority `has advised insurance companies to re-examine such cases.

(d) Institutional mechanism is already in place to address the problems of the policyholders. Grievance Redressal Mechanism is in place in all the public sector insurance companies. Apart from this, there are 12 Ombudsman for settling grievances expeditiously. Policy-holders may also taken up their cases/complaints with the Consumers Fora for adjudication.